

KR 3-4-69
CR 3-4-69

By

Cle
Murray
Salon
Finch
Swanson

H.J.R. No. 9

A JOINT RESOLUTION

proposing an amendment to Sections 49-c and 49-d, Article III, Constitution of the State of Texas, eliminating the interest limitation on Texas Water Development Bonds; eliminating the termination date and the procedures for curtailment of financial assistance by the Texas Water Development Board; extending the maturity schedules on Water Development Bonds; broadening the Water Development Board's power to contract for water resources and facilities; raising the authorized amount of Texas Water Development Bonds; and broadening the Board's power to sell, transfer and lease.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-c, Article III, Constitution of the State of Texas, be amended to read as follows:
"Section 49-c. (1) There is hereby created as an agency of the State of Texas the Texas Water Development Board to exercise such powers as necessary under this provision together with such other duties and restrictions as may be prescribed by law. The qualifications, compensation, and number of members of said Board shall be determined by law. They shall be appointed by the Governor with the advice and consent of the Senate in the manner and for such terms as may be prescribed by law.

"(2) The Texas Water Development Board shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas in an amount not to exceed One Hundred Million Dollars (\$100,000,000). The Legislature of Texas, upon two-thirds (2/3) vote of the elected Members of each House, may authorize the Board to issue additional bonds in an amount not exceeding One Hundred Million Dollars (\$100,000,000). The bonds authorized herein or permitted to be authorized by the Legislature shall be called 'Texas Water Development Bonds,' shall be executed in such form, denominations and upon such terms as may be prescribed by law. They may be issued in such installments as the Board finds feasible and practical in accomplishing the purpose set forth herein.

"(3) All moneys received from the sale of State bonds shall be deposited in a fund hereby created in the State Treasury to be known as the Texas Water Development Fund to be administered (without further appropriation) by the Texas Water Development Board in such manner as prescribed by law.

"(4) Such fund shall be used only for the purpose of aiding or making funds available upon such terms and conditions as the Legislature may prescribe, to the various political subdivisions

1 or bodies politic and corporate of the State of Texas including
2 river authorities, conservation and reclamation districts and
3 districts created or organized or authorized to be created or
4 organized under Article XVI, Section 59, or Article III, Section 52,
5 of this Constitution interstate compact commissions to which the
6 State of Texas is a party and municipal corporations in the
7 conservation and development of the water resources of this State,
8 including the control, storing and preservation of its storm and
9 flood waters and the waters of its rivers and streams, for all
10 useful and lawful purposes by the acquisition, improvement,
11 extension, or construction of dams, reservoirs and other water
12 storage projects, including any system necessary for the trans-
13 portation of water from storage to points of treatment and/or
14 distribution, including facilities for transporting water therefrom
15 to wholesale purchasers or for any one or more of such purposes or
16 methods.

17 "(5) Any or all financial assistance as provided herein
18 shall be repaid with interest upon such terms, conditions and
19 manner of repayment as may be provided by law.

20 "(6) While any of the bonds authorized by this provision or
21 while any of the bonds that may be authorized by the Legislature
22 under this provision, or any interest on any of such bonds, is
23 outstanding and unpaid, there is hereby appropriated out of the
24 first moneys coming into the Treasury in each fiscal year, not
25 otherwise appropriated by this Constitution, an amount which is
26 sufficient to pay the principal and interest on such bonds that
27 mature or become due during such fiscal year, less the amount in
28 the sinking fund at the close of the prior fiscal year.

29 "(7) The Legislature may provide for the investment of
30 moneys available in the Texas Water Development Fund, and the
31 interest and sinking funds established for the payment of bonds
32 issued by the Texas Water Development Board. Income from such
33 investment shall be used for the purposes prescribed by the
34 Legislature. The Legislature may also make appropriations from the
35 General Revenue Fund for paying administrative expenses of the
36 Board.

37 "(8) From the moneys received by the Texas Water Develop-
38 ment Board as repayment of principal for financial assistance or as
39 interest thereon, there shall be deposited in the interest and
40 sinking fund for the bonds authorized by this Section sufficient
41 moneys to pay the interest and principal to become due during
42 the ensuing year and sufficient to establish and maintain a reserve
43 in said fund equal to the average annual principal and interest
44 requirements on all outstanding bonds issued under this Section.

45 "(9) All bonds issued hereunder shall after approval by
46 the Attorney General, registration by the Comptroller of Public
47 Accounts of the State of Texas, and delivery to the purchasers, be
48 incontestable and shall constitute general obligations of the State
49 of Texas under the Constitution of Texas.

50 "(10) Should the Legislature enact enabling laws in
51 anticipation of the adoption of this amendment, such acts shall
52 not be void by reason of their anticipatory nature."

53 Section 2. That Section 49-d, Article III, Constitution of
54 the State of Texas, be amended to read as follows:

1 "Section 49-d. (1) It is hereby declared to be the policy
2 of the State of Texas to encourage the optimum development of the
3 limited number of feasible sites available for the construction or
4 enlargement of dams and reservoirs for conservation of the public
5 waters of the state, which waters are held in trust for the use and
6 benefit of the public. The proceeds from the sale of the addi-
7 tional bonds authorized hereunder deposited in the Texas Water
8 Development Fund and the proceeds of bonds previously authorized by
9 Article III, Section 49-c of this Constitution, may be used by the
10 Texas Water Development Board, under such provisions as the Legis-
11 lature may prescribe by General Law, including the requirement of a
12 permit for storage or beneficial use, for the additional purposes
13 of acquiring and developing storage facilities, and any system or
14 works necessary for the filtration, treatment, and transportation
15 of water from storage to points of treatment, filtration and/or
16 distribution, including facilities for transporting water therefrom
17 to wholesale purchasers, or for any one or more of such purposes
18 or methods; provided, however, the Texas Water Development Fund
19 or any other state fund provided for water development, trans-
20 mission, transfer or filtration shall not be used to finance any
21 project which contemplates or results in the removal from the basin
22 of origin of any surface water necessary to supply the reasonably
23 foreseeable future water requirements for the next ensuing fifty-
24 year period within the river basin of origin, except on a
25 temporary interim basis.

26 "(2) Under such provisions as the Legislature may prescribe
27 by General Law the Texas Water Development Fund may be used for
28 the conservation and development of water for useful purposes by
29 construction or reconstruction or enlargement of reservoirs
30 constructed or to be constructed or enlarged within the State of
31 Texas or on any stream constituting a boundary of the State of
32 Texas, together with any system or works necessary for the
33 filtration, treatment and/or transportation of water, by any one or
34 more of the following governmental agencies: by the United States
35 of America or any agency, department or instrumentality thereof;
36 by the State of Texas or any agency, department or instrumentality
37 thereof; by political subdivisions or bodies politic and corporate
38 of the state; by interstate compact commissions to which the State
39 of Texas is a party; and by municipal corporations. The Legisla-
40 ture shall provide terms and conditions under which the Texas Water
41 Development Board may sell, transfer or lease, in whole or in part,
42 any reservoir and associated system or works which the Texas Water
43 Development Board has financed in whole or in part.

44 "(3) Under such provisions as the Legislature may prescribe
45 by General Law, the Texas Water Development Board may also execute
46 long-term contracts with the United States or any of its agencies
47 for the acquisition and development of water resources and
48 facilities for the State of Texas. The provisions of Section 49-c
49 of this Article with respect to payment of principal and interest
50 on state bonds issued shall likewise apply with respect to payment
51 of principal and interest required to be paid by such contracts.
52 If facilities are acquired for a term of years, such contracts
53 shall contain provisions for renewal that will protect the state's
54 investment.

1 "(4) The aggregate amount of the bonds authorized hereunder
2 shall not exceed \$3,500,000,000 and shall be in addition to the
3 aggregate of the bonds previously authorized by Section 49-c of
4 this Article. However, the bonds shall be issued only when
5 authorized by a two-thirds (2/3) vote of the elected Members of
6 each House of the Texas Legislature and authorization for issuance
7 by the Board of any portion of the aggregate amount of the bonds
8 may be granted at any time the Legislature deems it necessary.

9 "(5) The Legislature shall provide terms and conditions for
10 the Texas Water Development Board to sell, transfer or lease, in
11 whole or in part, any acquired project or the right to use such
12 project together with any associated system or works necessary for
13 the filtration, treatment or transportation of water at a price not
14 less than the direct cost of the Board in acquiring same; and the
15 Legislature may provide terms and conditions for the Board to sell
16 any unappropriated public waters of the state that might be stored
17 in such projects. As a prerequisite to the purchase of storage
18 facilities or water, the applicant therefore shall have secured a
19 valid permit from the Texas Water Rights Commission or its
20 successor authorizing the acquisition of such storage facilities or
21 the water impounded therein. The money received from any sale,
22 transfer or lease of storage facilities or associated system or
23 works shall be used to pay principal and interest on state bonds
24 issued or contractual obligations incurred by the Texas Water
25 Development Board, provided that when moneys are sufficient to
26 pay the full amount of indebtedness then outstanding and the full
27 amount of interest to accrue thereon, any further sums received
28 from the sale, transfer or lease of such storage facilities or
29 associated system or works may be used for the acquisition of
30 additional storage facilities or associated system or works or for
31 providing financial assistance as authorized by said Section 49-c.
32 Money received from the sale of water, which shall include standby
33 service, may be used for the operation and maintenance of acquired
34 facilities, and for the payment of principal and interest on
35 debt incurred.

36 "(6) Should the Legislature enact enabling laws in antici-
37 pation of the adoption of this Amendment, such Acts shall not be
38 void by reason of their anticipatory character."

39 Sec. 3. The foregoing constitutional amendment shall be
40 submitted to a vote of the qualified electors of this state at an
41 election to be held on the first Tuesday after the first Monday
42 in November, 1970, at which election all ballots shall be printed
43 to provide for voting for or against the proposition: "The
44 constitutional amendment broadening the powers of the Texas Water
45 Development Board; eliminating the interest limitations on Texas
46 Water Development Bonds; raising the authorized amount of Texas
47 Water Development Bonds to \$3,500,000,000; extending the
48 maturity schedule on Texas Water Development Bonds; eliminating
49 the procedures for curtailment and the curtailment date of
50 financial assistance to be provided by the Texas Water Development
51 Board."
52
53
54

BILL ANALYSIS

H.J.R. 9

CLAYTON

Referred to the Committee on Constitutional Amendments

I Background Information:

Due to the current trend in interest rates, it is almost impossible to sell bonds at the present rate of 4%.¹ Thus it is felt an interest rate increase would be beneficial. Also, the increased authorization of Water Development Bonds from \$200 million to \$3.5 billion is the anticipated Texas share of long range water needs. It should be noted, that passage of this resolution does not mean this money is to be issued any time soon, for this must first be approved by 2/3 of the Legislature.

II Purpose of the Resolution:

H.J.R. 9 eliminates the interest limitation on Texas Water Development Bonds; eliminates the termination date and the procedures for curtailment of financial assistance by the Texas Water Development Board; extends the maturity schedules on Water Development Bonds; broadens the Water Development Board's power to contract for water resources and facilities; raises the authorized amount of Texas Water Development Bonds; and broadens the Board's power to sell, transfer, and lease.

III Section by section analysis:

Section 1: Amends Art. III, Sec. 49-c: The only changes are in paragraph 2 in which the 4% ceiling on interest rates is removed, and in paragraph 8 in which the 1982 termination date for the Fund is removed.

Section 2: Amends Sec. 49-d: In paragraph 3, powers are broadened by referring to the 'development of water resources and facilities' rather than to simply 'storage facilities in reservoirs'. In paragraph 4, maximum authorized amount of bonds is raised from \$200 million to \$3.5 billion. Paragraph 5 also broadens powers by changing the term 'storage facilities' to 'projects'.

Section 3: Submits this Amendment to a vote of the people in November, 1979.

IV Summary of Committee Action:

H.J.R. 9 was reported back to the House with the recommendation that it do pass, as amended, and be printed.

Committee Amendment No. 1: Inserted into Sec. 3 the words "except as imposed by the Legislature," in order to clarify the Amendment as it will be on the ballot.

Committee Amendment No. 2: Provides for printing only Sections 1, 2, and 3 of the resolution.

FORM B

(For favorable reports on bills where committee amendments other than "committee substitutes" are recommended; and for resolutions where committee amendments, including complete substitutes, are recommended.)

COMMITTEE REPORT

Date 2/25/69

HON. G. F. (GUS) MUTSCHER

Speaker of the House of Representatives.

Sir:

We, your Committee on CONSTITUTIONAL AMENDMENTS, to whom was referred H. J.R. No. 9, have had the same under consideration

and beg to report back with recommendation that it do pass, as amended, and be printed.

John A. Juregr
Chairman.

(In the case of simple and concurrent resolutions the words "and be printed" should be stricken out since resolutions are printed in the Journal when they are first introduced.)

The word "not" should be inserted before "printed" only in case of a local bill reported favorably with amendments and ordered not printed, which is customary for local bills.)

DATE _____

To the Honorable John Traeger
Committee on Constitutional Amendments

Ref: HJR 9

Sir:

We, your sub-committee to whom was referred HJR-9, have had the same under consideration and beg to report back with the recommendation that it do (not) pass (as amended) and be (not) printed. (~~Committee Amendment:~~
~~substitute is to be printed in lieu of the original bill.~~)

Amend #1. by Jones.
— #2 by Price.

Respectfully submitted,

Bill T. Swanson Ch.
Jim M. [unclear]
Rayford [unclear]
Grant [unclear]
Donald A. [unclear]

Clayton

①
Amendment #1
Amend H.J.R. # 9 by

Strike all below the ~~amending~~ ^{Resolving} clause and substitute in lieu thereof the following:

MAR 4 1969
DATE
By *Wm. H. Hallman*
READ AND ADOPTED
CHIEF CLERK
HOUSE OF REPRESENTATIVES

*HP 2-4-69
CH 2-4-69
HW*

~~BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:~~

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new section 49d-1 to read as follows:

①(a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3, 500, 000, 000. 00 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both Houses of the Legislature.

(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund.

(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature.

(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources

and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982.

(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the State, and if so secured shall constitute general obligations of the State of Texas in the same manner and with the same effect as Texas Water Development Bonds. If facilities are acquired for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment. The aggregate principal amount of Texas Water Development Bonds authorized herein and in said Sections 49-c and 49-d shall be reduced by the aggregate of principal payments committed under such contracts constituting general obligations of the State. The provisions hereof shall not be construed to limit the Authority of the Texas Water Development Board to execute contracts or issue revenue bonds when such contracts or bonds are not secured by the general credit of the State.

(f) Texas Water Development Bonds and such contracts secured by the general credit of the State shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

(g) Should the Legislature enact enabling laws in anticipation of the adoption of this Amendment, such Acts shall not be void by reason of their anticipatory character. (11)

Section 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this State at an election to be held on the first Tuesday after the first Monday in November, 1969, at which election all ballots shall be printed to provide for voting FOR or AGAINST the following proposition:

"The constitutional amendment broadening the powers of the Texas Water Development Board; increasing the authorized amount of Texas Water Development Bonds by \$3,500,000,000.00, provided that no part of such bonds shall be used prior to approval thereof by the vote of two-thirds of the elected ^{members} ~~numbers~~ of both Houses of the Legislature; extending the maturity schedule on Texas Water Development Bonds; eliminating termination date of financial assistance to be provided by the Texas Water Development Board; ~~providing for the removal of the four (4) percent interest limitation on bonds issued by the Water Development Board.~~"

abstract
no. 1

abstract
no. 2

→ sec. 3.

MAR 4 1969
DATE _____
READ AND ADOPTED, ^{as amended, by non-record vote}
Dorothy Hallman
CHIEF CLERK
HOUSE OF REPRESENTATIVES

(2)

G. Jones

Amend substitute for HJR 9, eliminating in the second from the last line in Section 2 the words, "the removal of the 4% interest limitation on bonds issued by the Water Development Board" and substituting in lieu thereof the following:

*Amend
no. 1*

7. the Legislature to set the maximum rate of interest on bonds issued by the ^{Texas} Water Development Board."

DATE MAR 4 1969

READ AND ADOPTED

Dorothy Hallman
CHIEF CLERK
HOUSE OF REPRESENTATIVES

*KL 3-4-69
CR 3-4-69
am*

③

by Price

AMENDMENT NO. ~~12~~

the substitute for

Amend ~~11~~. J. R. NO. 9 by adding a section

reading as follows:

Sec. ~~13~~ 13. The publication of this amendment shall be limited to Sections ~~142~~ 142 of this resolution.

MAR 4 1969

DATE

READ AND ADOPTED

Dorothy Hallman
CHIEF CLERK
HOUSE OF REPRESENTATIVES

KN 3-4-69
CR 3A-69

Amendment #2

Clayton

Amend H.J.R. #9 by

Strike all above the ~~amending~~ ^{resolving} clause and substitute in lieu thereof the following:

A JOINT RESOLUTION

Amend No. 3

PROPOSING an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of Bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

DATE MAR 4 1969

READ AND ADOPTED

Dorothy Hallman

CHIEF CLERK

HOUSE OF REPRESENTATIVES

HR 3-4-69
CR 3-4-69
TW

By: Clayton, et al

H.J.R. No. 9

A JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new Section 49-d-1 to read as follows:

(a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3,500,000,000.00 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature.

(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund. _____

(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature. _____

(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982. _____

(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the state, and if so secured shall constitute general obligations of the State of Texas in the same manner and with the same effect as Texas Water _____

Development Bonds. If facilities are acquired for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment. The aggregate principal amount of Texas Water Development Bonds authorized herein and in said Sections 49-c and 49-d shall be reduced by the aggregate of principal payments committed under such contracts constituting general obligations of the state. The provisions hereof shall not be construed to limit the authority of the Texas Water Development Board to execute contracts or issue revenue bonds when such contracts or bonds are not secured by the general credit of the state. _____

(f) Texas Water Development Bonds and such contracts secured by the general credit of the state shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas. _____

(g) Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be void by reason of their anticipatory character. _____

~~Sec. 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1969, at which election all ballots shall be printed to provide for voting FOR or AGAINST the following proposition: "The constitutional amendment broadening the powers of the Texas Water Development Board; increasing the authorized amount of Texas Water~~

Development Bonds by \$3,500,000,000.00, provided that no part of such bonds shall be used prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature; extending the maturity schedule on Texas Water Development Bonds; eliminating termination date of financial assistance to be provided by the Texas Water Development Board; providing for the Legislature to set the maximum rate of interest on bonds issued by the Texas Water Development Board."

Sec. 3. The publication of this amendment shall be limited to Sections 1 and 2 of this Resolution.

Austin, Texas

March 25, 19 69

Hon. Ben Barnes
President of the Senate

Sir:

We, your Committee on CONSTITUTIONAL AMENDMENTS,
to which was referred H.J.R. B. No. 9, have had the same
under consideration, and I am instructed to report it back to
the Senate with the recommendation that it do _____
pass _____ and be _____ printed.

Christi
Chairman

CAS

Floor Amendment No. 1 to H.J.R. 9

By

JH
Creighton

Amend H. J. R. 9 by deleting Section ²3, line 39, page 4 of the printed bill and substituting in lieu thereof the following:

²"Sec. ~~3~~. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on Tuesday, ~~August 1~~ ^{August 5}, 1969, at which election all ballots shall be printed to provide for voting for or against the proposition: "The constitutional amendment broadening the powers of the Texas Water Development Board; eliminating the interest limitations on Texas Water Development Bonds; raising the authorized amount of Texas Water Development Bonds to \$3,500,000,000; extending the maturity schedule on Texas Water Development Bonds; eliminating the procedures for curtailment and the curtailment date of financial assistance to be provided by the Texas Water Development Board."

APR 1 1969

The House has concurred in Senate amendments to House Bill No. 9 by vote of 137 ayes, 0 noes.

Dorothy Hallman

Chief Clerk, House of Representatives

ADOPTED

MAR 22 1969

Charles Schwab
CLERK OF SENATE

#1

JK
4-2-69

P.A.
4-9-69

Amend caption to conform to body
of bill.

ADOPTED

MAR 27 1969

#2

Charles Schwab
SECRETARY OF SENATE

Austin, Travis County, Texas

April 8, 1969

Honorable Ben Barnes, President of the Senate

Honorable G. F. (Gus) Mutscher, Speaker of the House of
Representatives

Sirs:

We, your Conference Committee, appointed to adjust the
differences between the Senate and the House of Representatives
on H.J.R. No. 9, have met and had same under consideration,
and beg to report it back with the recommendation that it do
pass in the form and text hereto attached.

[Signature]

[Signature]

[Signature]

On the part of the Senate

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

On the part of the House

APR 8 1969

ALL NECESSARY RULES SUSPENDED, AND THE

CONFERENCE COMMITTEE REPORT ON HOUSE

[Signature] 9 ADOPTED BY A VOTE OF

127 AYES, 4 NOES.

[Signature]

Chief Clerk, House of Representatives

[Signature]
4-9-69

P.A.
4-9-69

HOUSE JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new Section 49-d-1 to read as follows:

"Section 49-d-1. (a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3,500,000,000 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature.

"(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund.

"(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature.

"(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982.

"(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the state,

1 and if so secured shall constitute general obligations of the State
2 of Texas in the same manner and with the same effect as Texas Water
3 Development Bonds. If facilities are acquired for a term of years,
4 such contracts shall contain provisions for renewal that will pro-
5 tect the state's investment. The aggregate principal amount of
6 Texas Water Development Bonds authorized herein and in said Sec-
7 tions 49-c and 49-d shall be reduced by the aggregate of principal
8 payments committed under such contracts constituting general obli-
9 gations of the state. The provisions hereof shall not be construed
10 to limit the authority of the Texas Water Development Board to
11 execute contracts or issue revenue bonds when such contracts or
12 bonds are not secured by the general credit of the state.

13 "(f) Texas Water Development Bonds and such contracts secured
14 by the general credit of the state shall after approval by the
15 Attorney General, registration by the Comptroller of Public
16 Accounts of the State of Texas, and delivery to the purchasers, be
17 incontestable and shall constitute general obligations of the State
18 of Texas under the Constitution of Texas.

19 "(g) Should the Legislature enact enabling laws in anticipa-
20 tion of the adoption of this amendment, such Acts shall not be void
21 by reason of their anticipatory character."

22 Sec. 2. The foregoing constitutional amendment shall be sub-
23 mitted to a vote of the qualified electors of this state at an
24 election to be held on Tuesday, August 5, 1969, at which election
25 all ballots shall be printed to provide for voting for or against
26 the proposition: "The constitutional amendment broadening the
27 powers of the Texas Water Development Board and the purposes of the
28 Texas Water Development Fund; eliminating the interest limitations
29 on Texas Water Development Bonds; raising the authorized amount of
30 Texas Water Development Bonds by \$3,500,000,000; extending the
31 maturity schedule on Texas Water Development Bonds; eliminating the
32 procedures for curtailment and the curtailment date of financial
33 assistance to be provided by the Texas Water Development Board."

34 Sec. 3. The publication of this amendment shall be limited
35 to Sections 1 and 2 of this Resolution.
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46 APR 8 1969

47 ALL NECESSARY RULES SUSPENDED, AND THE

48 CONFERENCE COMMITTEE REPORT ON ~~HOUSE~~

49 HJR. NO. 9 ADOPTED BY A VOTE OF

50 137 AYES, 4 NOES.
51
52
53
54

Dorothy Hallman

Chief Clerk, House of Representatives

Austin, Travis County, Texas

April 8, 1969

Honorable Ben Barnes, President of the Senate

Honorable G. F. (Gus) Mutscher, Speaker of the House of
Representatives

Sirs:

We, your Conference Committee, appointed to adjust the
differences between the Senate and the House of Representatives
on H.J.R. No. 9, have met and had same under consideration,
and beg to report it back with the recommendation that it do
pass in the form and text hereto attached.

[Signature]

[Signature]

On the part of the Senate

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

On the part of the House

ADOPTED

by vote of 28 yeas, 2 nays

APR 9 1969

[Signature]

SECRETARY OF SENATE

APR 9 1969

SENT TO HOUSE

RETURNED FROM SENATE APR 9 1969

[Signature]

Chief Clerk, House of Representatives

APR 9 1969

SENT TO ENROLLING CLERK

P.A.
4.9.69

4.9.69

HOUSE JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new Section 49-d-1 to read as follows:

"Section 49-d-1. (a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3,500,000,000 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature.

"(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund.

"(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature.

"(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982.

"(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the state,

1 and if so secured shall constitute general obligations of the State
2 of Texas in the same manner and with the same effect as Texas Water
3 Development Bonds. If facilities are acquired for a term of years,
4 such contracts shall contain provisions for renewal that will pro-
5 tect the state's investment. The aggregate principal amount of
6 Texas Water Development Bonds authorized herein and in said Sec-
7 tions 49-c and 49-d shall be reduced by the aggregate of principal
8 payments committed under such contracts constituting general obli-
9 gations of the state. The provisions hereof shall not be construed
10 to limit the authority of the Texas Water Development Board to
11 execute contracts or issue revenue bonds when such contracts or
12 bonds are not secured by the general credit of the state.

13 "(f) Texas Water Development Bonds and such contracts secured
14 by the general credit of the state shall after approval by the
15 Attorney General, registration by the Comptroller of Public
16 Accounts of the State of Texas, and delivery to the purchasers, be
17 incontestable and shall constitute general obligations of the State
18 of Texas under the Constitution of Texas.

19 "(g) Should the Legislature enact enabling laws in anticipa-
20 tion of the adoption of this amendment, such Acts shall not be void
21 by reason of their anticipatory character."

22 Sec. 2. The foregoing constitutional amendment shall be sub-
23 mitted to a vote of the qualified electors of this state at an
24 election to be held on Tuesday, August 5, 1969, at which election
25 all ballots shall be printed to provide for voting for or against
26 the proposition: "The constitutional amendment broadening the
27 powers of the Texas Water Development Board and the purposes of the
28 Texas Water Development Fund; eliminating the interest limitations
29 on Texas Water Development Bonds; raising the authorized amount of
30 Texas Water Development Bonds by \$3,500,000,000; extending the
31 maturity schedule on Texas Water Development Bonds; eliminating the
32 procedures for curtailment and the curtailment date of financial
33 assistance to be provided by the Texas Water Development Board."

34 Sec. 3. The publication of this amendment shall be limited
35 to Sections 1 and 2 of this Resolution.
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ENROLLED

H.J.R. No. 9

HOUSE JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new Section 49-d-1 to read as follows:

"Section 49-d-1. (a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3,500,000,000 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature.

"(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund.

"(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature.

"(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982.

"(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the state, and if so secured shall constitute general obligations of the State of Texas in the same manner and with the same effect as Texas Water Development Bonds. If facilities are acquired for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment. The aggregate principal amount of

Texas Water Development Bonds authorized herein and in said Sections 49-c and 49-d shall be reduced by the aggregate of principal payments committed under such contracts constituting general obligations of the state. The provisions hereof shall not be construed to limit the authority of the Texas Water Development Board to execute contracts or issue revenue bonds when such contracts or bonds are not secured by the general credit of the state.

"(f) Texas Water Development Bonds and such contracts secured by the general credit of the state shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

"(g) Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be void by reason of their anticipatory character."

Sec. 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on Tuesday, August 5, 1969, at which election all ballots shall be printed to provide for voting for or against the proposition: "The constitutional amendment broadening the powers of the Texas Water Development Board and the purposes of the Texas Water Development Fund; eliminating the interest limitations on Texas Water Development Bonds; raising the authorized amount of Texas Water Development Bonds by \$3,500,000,000; extending the maturity schedule on Texas Water Development Bonds; eliminating the

H.J.R. No. 9

procedures for curtailment and the curtailment date of financial assistance to be provided by the Texas Water Development Board."

Sec. 3. The publication of this amendment shall be limited to Sections 1 and 2 of this Resolution.

Lieutenant Governor

Speaker of the House

I hereby certify that H.J.R. No. 9 was adopted by the House on March 4, 1969, by the following vote: Yeas 131, Nays 15; that the House refused to concur in Senate amendments to H.J.R. No. 9 on April 2, 1969, and requested the appointment of a Conference Committee to consider the differences between the two Houses; and that the House adopted the Conference Committee Report on H.J.R. No. 9 on April 8, 1969, by the following vote: Yeas 137, Nays 4.

Chief Clerk of the House

H.J.R. No. 9

I hereby certify that H.J.R. No. 9 was adopted by the Senate, with amendments, on March 27, 1969, by the following vote: Yeas 29, Nays 1; at the request of the House, the Senate appointed a Conference Committee to consider the differences between the two Houses; and that the Senate adopted the Conference Committee Report on H.J.R. No. 9 on April 9, 1969, by the following vote: Yeas 28, Nays 2.

Secretary of the Senate

APPROVED:

4-17-69

Date

signed

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

11:10 A.M. O'CLOCK

APR 17 1969

Secretary of State

H.J.R. No. 9 By Clayton
et al

A JOINT RESOLUTION

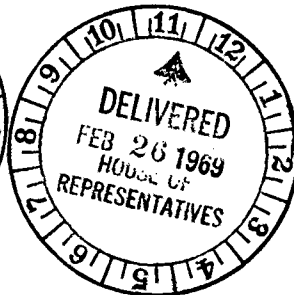
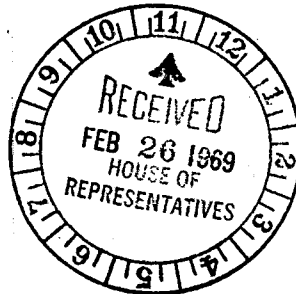
proposing an amendment to Sections 49-c and 49-d, Article III, Constitution of the State of Texas, eliminating the interest limitation on Texas Water Development Bonds; eliminating the termination date and the procedures for curtailment of financial assistance by the Texas Water Development Board; extending the maturity schedules on Water Development Bonds; broadening the Water Development Board's power to contract for water resources and facilities; raising the authorized amount of Texas Water Development Bonds; and broadening the Board's power to sell, transfer and lease.

FILED FEB 6 1969

READ 1st TIME FEB 6 1969
AND REFERRED TO COMMITTEE ON
Constitutional Amendments
Dorothy Hallman

Chief Clerk, House of Representatives

FEB 25 1969 REPORTED FAVORABLY AS AMENDED SENT TO PRINTER



MAR 4 1969 READ SECOND

TIME, Amended, AND finally

ORDERED ENGROSSED

Adopted by vote of
131 yeas, 15 nays.

Dorothy Hallman

Chief Clerk, House of Representatives

MAR 4 1969

MOTION TO RECONSIDER THE VOTE BY WHICH H.J.R. #9 WAS ADOPTED / ~~TABLED~~ AND TO TABLE THE MOTION TO RECONSIDER PREVAILED ~~BY A~~ non-record VOTE, ~~AYES AND~~

Dorothy Hallman
CHIEF CLERK HOUSE OF REPRESENTATIVES

MAR 4 1969 SENT TO ENGROSSING CLERK

PRINTED, DISTRIBUTED AND

REFERRED TO COMMITTEE ON

RULES 11:15 AM, FEB 26 1969
(Time) (Date)

By: Clayton, et al

H.J.R. No. 9

HOUSE JOINT RESOLUTION

proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

2- 6-69 Filed.
2- 6-69 Read first time and referred to Committee on Constitutional Amendments.
2-25-69 Reported favorably as amended, sent to printer.
2-26-69 Printed, distributed and referred to Committee on Rules at 11:15 a.m.
3- 4-69 Read second time, amended and finally adopted by the following vote: Yeas 131, Nays 15.

Dorothy Hallman
Chief Clerk, H. of R.

3- 4-69 Sent to Engrossing Clerk.
3- 4-69 Engrossed.

Area Suppin
Engrossing Clerk, H. of R.

MAR 5 1969 RETURNED FROM ENGROSSING CLERK SENT TO THE SENATE

MAR 5 1969 IN THE SENATE
Received from the House

MAR 27 1969
Senate Rule 30 and
Constitutional Rule (Sec. 32, Art. III)
suspended by a vote of 28 yeas,
1 nays, to place bill on third
reading and final passage.

MAR 10 1969 Read first time
and referred to Committee
on Constitutional Amendments

MAR 26 1969 Reported Favorably.

MAR 27 1969
READ THIRD TIME AND PASSED
BY THE FOLLOWING VOTE:

Yeas 29 Nays 1

Charles Schnabel
Secretary of the Senate

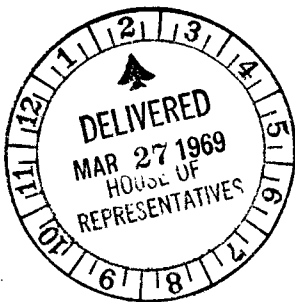
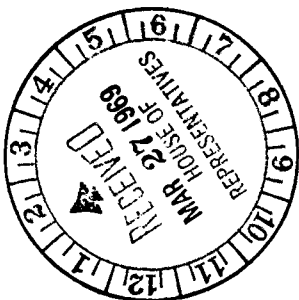
MAR 27 1969
Laid out,
READ SECOND TIME, amended,
AND PASSED TO THIRD READING.

MAR 27 1969
Amend caption to conform to body
of bill

MAR 27 1969 SENT TO HOUSE
as amended
RETURNED FROM SENATE, MAR 27 1969
Dorothy Hallman
Chief Clerk, House of Representatives
(over)

MAR 27 1969

SENT TO PRINTER



MAR 27 1969

PRINTED, DISTRIBUTED AND

REFERRED TO COMMITTEE ON

RULES 1:45 P.M. MAR 27 1969
(Time) (Date)

APR 1 1969

The House has concurred in Senate amendments to House Bill No. 9 by vote of 137 ayes, noes.

Dorothy Hallman

Chief Clerk, House of Representatives

APR 1 1969 SENT TO ENROLLING CLERK

APR 2 1969

*Suspend all necessary rules
Motion to reconsider the
vote by which House concurred
in Senate amendment to H.R. #9
prevailed by non-record vote*

Dorothy Hallman

Chief Clerk, House of Representatives

APR 2 1969

The House refused to concur in Senate amendments to House Bill No. 9 and has requested the appointment of a Conference Committee to consider the differences between the two houses.

Dorothy Hallman

Chief Clerk, House of Representatives

APR 8 1969

ALL NECESSARY RULES SUSPENDED, AND THE

CONFERENCE COMMITTEE REPORT ON ~~H.R. #9~~

~~H.R. #9~~ ADOPTED BY A VOTE OF

137 AYES, 4 NOES,

Dorothy Hallman

Chief Clerk, House of Representatives

APR 8 1969

SENT TO ENROLLING CLERK